

**MINUTES OF THE MEETING OF THE  
BOARD OF DIRECTORS OF  
LOCAL.COM CORPORATION**

**HELD ON JULY 31, 2007**

The Board of Directors (the "Board") of Local.com Corporation, a Delaware corporation (the "Corporation" or "Company"), held a meeting at the Corporation's principal office located at One Technology Drive, Building G, Irvine, CA 92618 on July 31, 2007 at 9:15 a.m., pursuant to a notice duly given. There were present at said meeting the following directors, constituting all of the members of the Board:

Heath Clarke  
Norman Farra  
Phil Fricke  
Theodore Lavoie  
John Rehfeld

Also present were Bruce Crair, the Corporation's President and Chief Operating Officer, Doug Norman, the Corporation's Secretary and Chief Financial Officer and Derek Dundas of Rutan & Tucker, LLP the Corporation's legal counsel. Mr. Clarke served as chairman of the meeting and Mr. Norman served as secretary of the meeting. Unless otherwise noted, all actions recorded herein were taken by motion, second and unanimous vote of the Board.

**Financing**

Mr. Farra discussed the current term sheets from the lead fund for a financing. Discussion ensued, and included but was not limited to, the total amount to be raised, the selling price, warrant coverage and registration rights. The Board also discussed the waivers needed from the convertible debenture holders.

Discussion ensued and upon motion duly made, seconded and unanimously adopted, the Board approved the financing as detailed in the resolutions attached as Exhibit A.

At this point, Messrs. Norman and Dundas left the meeting to complete the financing. Mr. Crair served as secretary in Mr. Norman's absence.

REDACTED

CONFIDENTIAL AND  
NONRESPONSIVE

BOD Minutes 07 31 2007

LCL 000432

**REDACTED -  
CONFIDENTIAL AND  
NONRESPONSIVE**

LCL 000433

**Minutes**

The Board reviewed the minutes for the April 25th, July 5th, 16<sup>th</sup>, 18th and 20<sup>th</sup>, 2007 meetings. Discussion ensued and upon motion duly made, seconded and unanimously adopted, the Board approved such minutes.

REDACTED

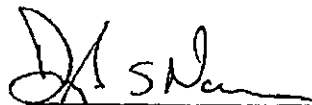
CONFIDENTIAL AND  
NONRESPONSIVE

**General Ratification**

RESOLVED FURTHER, that all acts and things heretofore done by any such officer, or by any other employee or agent of this Corporation, on or prior to the date hereof, in connection with the foregoing resolutions be, and the same hereby are in all respects ratified, confirmed and approved as the acts and deeds of this Corporation.

**Adjournment**

There being no further business to discuss, upon motion duly made, seconded and unanimously carried, the Meeting was adjourned.



Douglas S. Norman  
Secretary

**EXHIBIT A**  
**RESOLUTIONS ADOPTED AT A MEETING**  
**OF**  
**THE BOARD OF DIRECTORS**  
**OF**  
**Local.com Corporation,**  
**a Delaware corporation**

**July 31, 2007**

Pursuant to notice duly given, a meeting of the Board of Directors of Local.com Corporation, a Delaware corporation (the "Company") was held on July 31, 2007. Heath Clarke, Chairman of the Board, called the meeting to order at 9:30 a.m. and served as Chairman of the meeting.

Board members Heath Clarke, John Rehfeld, Norman Farra, Ted Lavoie and Phil Fricke were present at the meeting. Also present were Bruce Crair, the Corporation's Chief Operating Officer, Doug Norman, the Corporation's Secretary and Chief Financial Officer and Derek Dundas of Rutan and Tucker LLP, the Corporation's legal counsel.

The Board of Directors having discussed following actions and having determined that it was in the best interest of the Company to take the following actions, did adopt, ratify and approve the following resolutions to be effective as of July 31, 2007 and directed the Secretary of the Company to place a copy hereof in the Company's book of minutes:

1. Approval of Private Placement of Common Stock and Warrants.

WHEREAS, it is in the best interests of the Company and its stockholders to raise additional capital through the private placement of equity securities, a proposed transaction by and among the Company and certain investors (collectively, "Investors") provides for the offer and sale of the Common Stock and Warrants to the Investors by the Company;

WHEREAS, the proposed transaction will require that the Company and the Investors enter into a certain Purchase Agreement in the form and under such terms and conditions substantially as set forth on EXHIBIT A attached hereto;

WHEREAS, pursuant to the Securities Purchase Agreement the Company will offer and sell to the Investors (i) Common Stock of the Company (the "Stock"), in the aggregate amount of up to Thirteen Million Dollars (\$13,000,000) at the Purchase Price (ii) warrants to purchase an aggregate of a number of shares of Common Stock (subject to adjustment) equal to

20% of the number of shares of Common Stock purchased at a per share exercise price equal to 115% of the Purchase Price (subject to adjustment) (the "Series A Warrants"), and (iii) warrants to purchase an aggregate of a number of shares of Common Stock (subject to adjustment) equal to 20% of the number of shares that would be issuable upon a full conversion of the Notes at the Market Price at a per share exercise price equal to 135% of the Market Price (subject to adjustment) (the "Series B Warrants");

WHEREAS, the Warrants shall have a five year term for those price at 115% of the Market Price and a six year term for those priced at 135% of the Market Price;

WHEREAS, the "Purchase Price" is \$5.50;

WHEREAS, the Purchase Agreement and the Warrants contain further limitations and rights in connection with the Warrants such as anti-dilution provisions;

WHEREAS, the Company will use the net proceeds from the sale of the Stock and the Warrants for working capital and general corporate purposes including, without limitation, funding potential acquisitions; and

WHEREAS, the Board of Directors of the Company deems it to be in the best interests of the Company and its shareholders that the Company conduct and consummate the Securities Purchase Agreement and execute the Warrants and Registration Rights Agreements, the form of each of which has been presented to the Board of Directors of the Company and the form and content of each of which is satisfactory to the Board of Directors of the Company, and execute all instruments and documents (in addition to the Warrants and Registration Rights Agreements) related to the Securities Purchase Agreement (the Warrants, Registration Rights Agreements and all such instruments and documents are hereinafter referred to as the "Transaction Documents").

NOW, THEREFORE, BE IT RESOLVED, that the form, terms and provisions of the Purchase Agreement and the Transaction Documents be, and the same hereby are, approved in all respects in forms substantially similar to those presented to the Board of Directors of the Company.

RESOLVED FURTHER, that the Company's Chief Executive Officer and Chief Financial Officer be, and he hereby are, authorized to circulate, on behalf of the Company, the Purchase Agreement and authorized to execute and deliver, on behalf of the Company, the Transaction Documents in substantially the form presented, together with such changes, amendments and modifications as may be approved by him (such approval conclusively to be deemed given by his execution thereof), and such other documents and instruments as may be necessary to cause the Company to become a

party to the Transaction Documents, and any other agreements or transactions contemplated thereby, and to consummate the transactions contemplated by the Purchase Agreement and Transaction Documents.

RESOLVED FURTHER, that all changes and amendments to the form of the Purchase Agreement and Transaction Documents referred to in these resolutions, as compared to the Purchase Agreement and Transaction Documents in the form presented to the undersigned directors, shall be deemed approved by the Chief Executive Officer of this Company, when the final form of such agreements has been executed by the Chief Executive Officer.

RESOLVED FURTHER, that all other agreements and documents related to or contemplated by the Purchase Agreement and Transaction Documents, in the form approved by the Chief Executive Officer of this Company, such approval conclusively to be deemed given by the execution of such agreements by him, be and hereby are, confirmed, ratified, adopted and approved.

RESOLVED FURTHER, that an amount of shares, equal to 120% of the shares underlying the Warrants, of the Company's Common Stock be, and they hereby are, reserved for issuance upon exercise of the Warrants, which shares, when issued in accordance with the terms of the Warrants, as applicable, shall be validly issued, fully paid and non-assessable, all required consideration therefor having been received by the Company.

RESOLVED FURTHER, that the issuances of the Common Stock by the Company pursuant to the Warrants be, and they hereby are, approved and authorized in all respects.

RESOLVED FURTHER, that the Chief Executive Officer and any other officer of the Company be, and each of them hereby is, authorized and directed, for and on behalf of the Company, to execute and deliver the documents necessary to effectuate the issuance of the Common Stock, issuable upon conversion of the Warrants, with such changes, additions and modifications as such officer or officers, in their discretion, shall deem necessary, appropriate or convenient to effectuate the purposes of the foregoing resolutions, such execution and delivery to be conclusive evidence of such approval.

RESOLVED FURTHER, that the officers of this Company be, and each of them hereby is, authorized and directed to take all such additional actions, including, without limitation, executing, delivering, filing and recording any necessary instruments or documents, as may be reasonably necessary to give effect to the foregoing resolutions.

RESOLVED FURTHER, that the officers of this Company, and their successors, be, and each of them hereby is, authorized, empowered and directed to take all such additional actions, including without limitation, executing, delivering, filing and recording any instruments, certificates, applications, agreements or documents as may be reasonably necessary or proper to effect the terms and conditions of the Securities Purchase Agreement and Transaction Documents on behalf of this Company, including any other resolutions or documents to be executed on behalf of this Company.


RESOLVED FURTHER, that all actions heretofore taken on behalf of the Company by any of the officers of the Company in connection with any of the foregoing matters be, and they hereby are, ratified and confirmed in all particulars as the acts of the Company.

2. General Authority.

RESOLVED, that the officers of this Company be, and each of them severally hereby is, empowered, authorized and directed to take such actions as they may deem necessary or convenient to carry out the intent of any and all of the foregoing resolutions in accordance therewith.

RESOLVED FURTHER, that the execution by such officers of any such paper or document or the doing by them of any act in connection with the foregoing matters shall conclusively establish their authority therefor from this Company and the approval and ratification by this Company of the papers and documents so executed and the action so taken.

RESOLVED FURTHER, that any and all actions heretofore or hereafter taken by such officer or officers of the Company within the terms of the foregoing resolutions be, and hereby are, ratified and confirmed as the act and deed of the Company.

  
Douglas S. Norman  
Secretary, Local.com Corporation